

Hearing Date and Time: December 21, 2022 at 2:00 p.m. (Prevailing Eastern Time)  
Objection Deadline: December 2, 2022 at 4:00 p.m. (Prevailing Eastern Time)

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Garrett A. Fail  
Sunny Singh

*Attorneys for Liquidating Trustee*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

-----X	
<b>In re</b>	:
	:
	<b>Chapter 11</b>
<b>SEARS HOLDINGS CORPORATION, et al.,</b>	:
	:
	<b>Case No. 18-23538 (SHL)</b>
	:
<b>Debtors.<sup>1</sup></b>	<b>(Jointly Administered)</b>
-----X	

**NOTICE OF LIQUIDATING TRUSTEE'S MOTION  
FOR ENTRY OF (I) FINAL DECREE CLOSING CERTAIN OF  
THE CHAPTER 11 CASES AND (II) GRANTING RELATED RELIEF**

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); SR – Rover de Puerto Rico, LLC (f/k/a Sears, Roebuck de Puerto Rico, Inc.) (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Rover Brands Business Unit, LLC (f/k/a Sears Brands Business Unit Corporation) (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors' corporate headquarters is c/o M-III Partners, LP, 1700 Broadway, 19th Floor, New York, NY 10019.

**PLEASE TAKE NOTICE** that, on November 18, 2022, the Liquidating Trustee (the “**Trustee**”) filed the *Liquidating Trustee’s Motion for Entry of (I) Final Decree Closing Certain of the Chapter 11 Cases and (II) Granting Related Relief* (the “**Motion**”).

**PLEASE TAKE FURTHER NOTICE** that a hearing to consider entry of an order granting the relief requested in the Motion (the “**Hearing**”) will be conducted before the Honorable Sean H. Lane, United States Bankruptcy Judge for the Bankruptcy Court for the Southern District of New York (the “**Bankruptcy Court**”), on **December 21, 2022 at 2:00 p.m. (Prevailing Eastern Time)**.

**PLEASE TAKE FURTHER NOTICE** that any responses or objections (the “**Objections**”) to the Motion shall (i) be in writing, (ii) conform to the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), the Local Bankruptcy Rules for the Southern District of New York (the “**Local Bankruptcy Rules**”), and the *Order Implementing Certain Notice and Case Management Procedures* (ECF No. 292) (the “**Case Management Order**”), (iii) be filed with the Bankruptcy Court by (a) attorneys practicing in the Bankruptcy Court, including attorneys admitted *pro hac vice*, electronically in accordance with General Order M-399 (which can be found at [www.nysb.uscourts.gov](http://www.nysb.uscourts.gov)) and (b) all other parties in interest on a CD-ROM, in text-searchable portable document format (PDF) (with two single-sided hard copies delivered to the Judge’s Chambers), in accordance with the customary practices of the Bankruptcy Court and General Order M-399, to the extent applicable, and (iv) be served in accordance with General Order M-399, the Bankruptcy Rules, the Local Bankruptcy Rules, and the Case Management Order, upon (a) the attorneys for the Liquidating Trustee, Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153 (Attn: Ray C. Schrock, Garrett A. Fail, and Sunny Singh), and (b) the Office of the United States Trustee for Region 2 (Attn: Paul Schwartzberg and Richard

Morrissey) by no later than **December 2, 2022 at 4:00 p.m. (Prevailing Eastern Time)** (the “**Objection Deadline**”).

**PLEASE TAKE FURTHER NOTICE** that if no Objections are timely filed and served with respect to the Motion by the Objection Deadline, the Bankruptcy Court may grant the relief requested in the Motion without further notice or opportunity to be heard.

**PLEASE TAKE FURTHER NOTICE** that any objecting parties are required to attend any Hearing and failure to appear may result in relief being granted upon default.

Dated: November 18, 2022  
New York, New York

/s/ Garrett A. Fail  
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*Attorneys for Liquidating Trustee*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

-----X	
In re	: Chapter 11
SEARS HOLDINGS CORPORATION, <i>et al.</i> ,	: Case No. 18-23538 (SHL)
Debtors. <sup>1</sup>	: (Jointly Administered)
-----X	

**LIQUIDATING TRUSTEE’S MOTION FOR ENTRY OF (I) FINAL DECREE CLOSING  
CERTAIN OF THE CHAPTER 11 CASES AND (II) GRANTING RELATED RELIEF**

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); SR – Rover de Puerto Rico, LLC (f/k/a Sears, Roebuck de Puerto Rico, Inc.) (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Rover Brands Business Unit, LLC (f/k/a Sears Brands Business Unit Corporation) (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors’ corporate headquarters is c/o M3 Advisory Partners, LP, 1700 Broadway, 19th Floor, New York, NY 10019.

The Liquidating Trustee<sup>2</sup> (the “**Trustee**”) respectfully represents as follows in support of this motion (the “**Motion**”):

### **Jurisdiction**

1. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. § 1334, Section 16.1(i) of the Plan (as defined herein), and paragraph sixty-seven of the Confirmation Order (as defined herein). This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

### **Background**

2. Beginning on October 15, 2018 (the “**Commencement Date**”) and continuing thereafter, Sears Holdings Corporation and its affiliated debtors (each a “**Debtor**” and collectively the “**Debtors**”) each commenced with the United States Bankruptcy Court for the Southern District of New York (the “**Bankruptcy Court**”) a voluntary case under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”). The Debtors were authorized to continue to operate their business and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

3. The Debtors’ chapter 11 cases were jointly administered for procedural purposes only pursuant to Bankruptcy Rule 1015(b).

4. On October 15, 2019, the Court entered the *Order (I) Confirming Modified Second Amended Joint Chapter 11 Plan of Sears Holdings Corporation And Its Affiliated Debtors And (II) Granting Related Relief* (ECF No. 5370) (the “**Confirmation Order**”).

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<sup>2</sup> Capitalized terms used herein but not otherwise defined shall have the meanings ascribed to such terms in the Confirmation Order or the Plan, as applicable.

5. On September 2, 2022, the Bankruptcy Court entered the *Order Approving Joint Motion of Debtors and Official Committee of Unsecured Creditors For Entry Of An Order Approving Settlement Agreements, Granting Related Relief And Authorizing Certain Nonmaterial Plan Modifications In Furtherance Of The Effective Date Of The Plan* (ECF No. 10629).

6. The Debtors' confirmed chapter 11 plan (the "**Plan**") became effective on October 29, 2022 (the "**Effective Date**"), and the Plan has been substantially consummated. *See Notice of the Occurrence of Effective Date* (ECF No. 10693).

7. Pursuant to the Plan, on the Effective Date, all assets of the Debtors not distributed on or prior to the Effective Date irrevocably and automatically vested in the Liquidating Trust for the benefit of the Liquidating Trust Beneficiaries. *See* Plan § 10.3. Allowed claims will receive distributions from the consolidated Liquidating Trust Assets, irrespective of the Debtor against which such claim was filed or is allowed. Plan § 9.2(a)(vi). Pursuant to the Plan, once a Debtor's estate has been fully administered, the Liquidating Trustee is empowered to seek authority from the Bankruptcy Court to close the applicable chapter 11 case. *See* Plan § 15.5.

### **Relief Requested**

8. Pursuant to section 350(a) of the Bankruptcy Code, Rule 3022 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**"), and rule 3022-1 of the Local Bankruptcy Rules for the United States Bankruptcy Court for the Southern District of New York (the "**Local Rules**"), the Trustee seeks entry of a final decree and order, substantially in the form attached hereto as **Exhibit A** (the "**Proposed Final Decree**"), closing certain of the chapter 11 cases of the Debtors on the list attached to the Proposed Final Decree as **Appendix 1** (such Debtors collectively, the "**Closing Debtors**" and such cases, the "**Subsidiary Cases**").

9. Pursuant to the Plan, the chapter 11 case of Debtor Sears Holdings Corporation (the “**Remaining Wind Down Estate**”) (Case No. 18-23538 (SHL)) (the “**Remaining Case**”) will remain open pending resolution of any contested matters and objections to claims.

**Relief Requested Should Be Granted**

10. Section 350(a) of the Bankruptcy Code provides that “[a]fter an estate is fully administered and the court has discharged the trustee, the court shall close the case.” 11 U.S.C. § 350(a). Bankruptcy Rule 3022, which implements section 350 of the Bankruptcy Code, further provides that “[a]fter an estate is fully administered in a chapter 11 reorganization case, the court, on its own motion or on motion of a party in interest, shall enter a final decree closing the case.” Fed. R. Bankr. P. 3022.

11. The term “fully administered” is not defined in either the Bankruptcy Code or the Bankruptcy Rules. The Advisory Committee Note to Bankruptcy Rule 3022, however, sets forth the following non-exclusive factors to be considered in determining whether a case has been fully administered:

- a) whether the order confirming the plan has become final;
- b) whether deposits required by the plan have been distributed;
- c) whether the property proposed by the plan to be transferred has been transferred;
- d) whether the debtor or its successor has assumed the business or the management of the property dealt with by the plan;
- e) whether payments under the plan have commenced; and
- f) whether all motions, contested matters, and adversary proceedings have been finally resolved.

Fed. R. Bankr. P. 3022, Advisory Comm. Note (1991).

12. The Advisory Committee Note to Bankruptcy Rule 3022 also indicates that the entry of a final decree “should not be delayed solely because the payments required by the plan have not been completed,” and the Court “should not keep the case open only because of the possibility that the court's jurisdiction may be invoked in the future.” *See* Fed. R. Bankr. P. 3022 Advisory Committee's Note to 1991 Amendment. Additionally, “a final decree closing the case after the estate is fully administered does not deprive the court of jurisdiction to enforce or interpret its own orders and does not prevent the court from reopening the case for cause pursuant to § 350(b) of the [Bankruptcy] Code.” *Id.*

13. Further, Bankruptcy courts have adopted the view that the factors set forth in Bankruptcy Rule 3022 “are but a guide in determining whether a case has been fully administered, and not all factors need to be present before the case is closed.” *In re Clayton*, 101 F.3d 697 (5th Cir. 1996) (citing *In re Mold Makers, Inc.*, 124 B.R. 766, 768-69 (Bankr. N.D. Ill. 1991)); *In re Kliegl Bros. Universal Elec. Stage Lighting Co., Inc.*, 238 B.R. 531, 542 (Bankr. E.D.N.Y. 1999) (recognizing that bankruptcy courts weigh the factors contained in the Advisory Committee Note when deciding whether to close a case); *Ericson v. IDC Servs., Inc. (In re IDC Servs., Inc.)*, Case No. 93 B 45922 (SMB), 1998 WL 547085, at \*3 (S.D.N.Y. Aug. 28, 1998) (“[T]he approach that looks to the Advisory Note provides a more complete and flexible standard for determining when to close a chapter 11 case, and is therefore preferable.”); *see also In re Federated Department Stores, Inc.*, 43 Fed. Appx. 820, 822 (6th Cir. 2002) (“A court should review each request for entry of a final decree on a case-by-case basis and analyze the factors set forth in Rule 3022, along with any other relevant factors, in determining whether an estate has been fully administered.”); *In re SLI, Inc.*, No. 02-12608 (WS), 2005 WL 1668396, at \*2 (Bankr. D. Del. June 24, 2005) (finding only two of the six Advisory Committee Notes relevant to the



court's discussion); *In re Jay Bee Enters., Inc.*, 207 B.R. 536, 538 (Bankr. E.D. Ky. 1997) ("Rule 3022 allows the court flexibility. It does not require that a chapter 11 case be kept open until all awarded fees and allowed claims have been paid in accordance with the confirmed plan or until the statutory fees . . . have been paid."); *Walnut Assocs. v. Saidel*, 164 B.R. 487, 493 (E.D. Pa. 1994) ("[A]ll of the factors in the Committee Note need not be present before the Court will enter a final decree.").

14. Courts have previously entered final decrees notwithstanding remaining future payments contemplated under a chapter 11 plan. *See, e.g., In re Gen. Dev. Corp.*, 180 B.R. 303, 306 (Bankr. S.D. Fla. 1995) (the fact that there might be further redistribution of stock and notes by reorganized debtor as well as continuing payments of cash to certain creditors did not prevent bankruptcy court from entering final decree closing consolidated Chapter 11 cases based on substantial consummation of Chapter 11 plan); *In re Johnson*, 402 B.R. 851, 856 (Bankr. N.D. Ind. 2009) ("Although the debtor has not completed the plan payments, that does not prevent a case from being fully administered."); *In re Mendez*, 464 B.R. 63, 65 (Bankr. D. Mass. 2011) (an individual Chapter 11 case need not remain open during the entire post-confirmation period only because a discharge has not been entered and plan payments have not been completed). Indeed, the Advisory Committee Notes to Bankruptcy Rule 3022 expressly provide that "entry of a final decree closing a chapter 11 case should not be delayed solely because the payments required by the plan have not been completed." Fed. R. Bankr. P. 3022, Advisory Comm. Note.

15. In addition to the factors set forth in the Advisory Committee Note, courts have considered whether the plan has been substantially consummated. *See In re Gates Cmty. Chapel of Rochester, Inc.*, 212 B.R. 220, 224 (Bankr. W.D.N.Y. 1997) (considering substantial consummation as a factor in determining whether to close a case); *Walnut Assocs.*, 164 B.R. at 493

(same). Section 1101(2) of the Bankruptcy Code defines “substantial consummation” as “(a) transfer of all or substantially all of the property proposed by the plan to be transferred; (b) assumption by the debtor or by the successor to the debtor under the plan of the business or of the management of all or substantially all of the property dealt with by the plan; and (c) commencement of distribution under the plan.”

16. Further, courts have also noted that entry of a final decree is appropriate to stop the accrual of fees pursuant to 28 U.S.C. § 1930(a)(6) (“**Section 1930 Fees**”). *In re Junior Food Mart of Arkansas, Inc.*, 201 B.R. 522, 524 (Bankr. E.D. Ark. 1996) (closing case so that “no further [Section 1930] [F]ees accrue”); *In re Jay Bee Enters., Inc.*, 207 B.R. at 539 (concluding that “it seems appropriate to close this case to stop the financial drain on the debtor” on account of the continuing accrual of Section 1930 Fees).

**The Subsidiary Cases Have Been Fully Administered**

17. The Subsidiary Cases have been “fully administered” within the meaning of section 350 of the Bankruptcy Code, making it appropriate for the Court to enter a final decree closing these cases.

18. The Confirmation Order was entered on October 15, 2019, and the Plan has been substantially consummated within the meaning of section 1101(2) of the Bankruptcy Code.

Among other things:

- a) the Confirmation Order has become final and is non-appealable;
- b) substantially all of the distributions provided for under the Plan have been made and any remaining distributions will be made in accordance with the terms of the Plan;
- c) all of the transactions contemplated by the Plan have closed;
- d) all remaining assets of the Debtors have been consolidated and have vested in the Liquidating Trust for the benefit of the Liquidating Trust Beneficiaries;

- e) all secured, administrative, and priority claims required to be paid pursuant to the Plan have been paid or reserves have been established such that disputed claims can be paid if such claims are ultimately allowed;
- f) all contested matters and adversary proceedings can remain open within or along with the Remaining Case;

19. The fact that the Trustee is still reviewing and resolving claims does not require that the Subsidiary Cases remain open until all such claims are resolved and distributions are made. *Jay Bee Enters.*, 207 B.R. at 539 (finding that Bankruptcy Rule 3022 “does not require that a chapter 11 case be kept open until all awarded fees and allowed claims have been paid in accordance with the confirmed plan or until the statutory fees . . . have been paid”).

20. Closure of the Subsidiary Cases is also consistent with the Plan and Confirmation Order. The Confirmation Order specifically provides that “all Settled Administrative Expense Claims shall be Allowed against the Debtors in these Chapter 11 Cases *on a consolidated basis*, or upon any conversion or dismissal of the Chapter 11 Cases.” Confirmation Order at ¶ 58 (emphasis added). The Plan similarly provides that “all Assets of the Debtors *shall be consolidated* and treated as Liquidating Trust Assets irrespective of which Debtor owns such Asset,” and that “each holder of an Administrative Expense Claim, Priority Tax Claim, ESL 507(b) Priority Claim, subject to the limitations contained herein, Other 507(b) Priority Claim, or Priority Non-Tax Claim, shall receive its Distributions from the consolidated Liquidating Trust Assets, irrespective of the Debtor against which such Claim was filed or is Allowed.” Plan §§ 9.2(a)(i) and 9.2(a)(vi) (emphasis added). Because the Debtors’ assets have been substantially consolidated as Liquidating Trust Assets, and all remaining distributions will be issued by the Liquidating Trust, closure of the Subsidiary Cases is appropriate. The Liquidating Trustee is retaining all reserves for Disputed Administrative Expense Claims, Priority Tax Claims, Priority Non-Tax Claims, and Secured Claims and will continue to do so in accordance with the Plan

notwithstanding this Motion and the Proposed Final Decree Order. As a result, any Claims filed against any of the Debtors can be addressed in the Remaining Case. Other than resolving outstanding claims, which can be effectuated through the Remaining Case, there is no other purpose for keeping the Subsidiary Cases open.

21. The Court will retain jurisdiction over all remaining proofs of claim filed against all Debtors, including administrative expense claims filed against any of the Closing Debtors, through the Remaining Case, and all distributions will be made as if grouped at the Remaining Case. Likewise, the Court will retain jurisdiction over any adversary proceedings brought by the Closing Debtors. The Trustee is not seeking to close the Remaining Case at this time.

22. All Section 1930 Fees that are due and owing in these Chapter 11 Cases have been paid or will be paid in the ordinary course. Any further Section 1930 Fees that may arise in the Remaining Case will be paid by the Remaining Wind Down Estate as and when such fees come due. As such, closing the Subsidiary Cases complies with Bankruptcy Rule 3022.

23. In addition to the reasons explained above, closing the Subsidiary Cases will relieve the Court, the Office of the U.S. Trustee, and the Trustee from each of their administrative burdens with respect to the Subsidiary Cases. Indeed, closing the Subsidiary Cases will alleviate the Closing Debtors' obligations to pay quarterly fees under section 1930 of title 28 of the United States Code for the Subsidiary Cases. *See In re A.H. Robins Co., Inc.*, 219 B.R. 145, 149 (Bankr. E.D. Va. 1998) (finding that "the obligation to pay UST fees terminates upon closure, dismissal, or conversion of a Chapter 11 case, and will not be paid *ad infinitum*"); *see also Junior Food Mart*, 201 B.R. at 524; *In re Jay Bee Enters., Inc.*, 207 B.R. at 529 ("[I]t seems appropriate to close this case to stop the financial drain on the debtor.").

24. The Bankruptcy Court's role in administering the Subsidiary Cases is complete. "The court should not keep [a] case open only because of the possibility that the court's jurisdiction may be invoked in the future." Fed. R. Bankr. P. 3022, Advisory Comm. Notes (1991). Furthermore, any party in interest may petition the Bankruptcy Court to reopen any of the Closing Debtors' chapter 11 cases pursuant to section 350(b) of the Bankruptcy Code, despite the entry of the final decree closing those cases. *See* Fed. R. Bankr. P. 5010. Accordingly, entry of a final decree closing the Subsidiary Cases is warranted.

**Notice**

25. The Trustee will provide notice of this Motion to: (i) the Office of the U.S. Trustee for the Southern District of New York; (ii) any party that has requested notice pursuant to Bankruptcy Rule 2002. The Debtors respectfully submit that no further notice is required.

*[Remainder of page intentionally left blank]*

**No Previous Request**

26. No previous request for the relief sought herein has been made by the Debtors to this or any other court.

WHEREFORE the Trustee respectfully requests entry of the Proposed Final Decree Order granting the relief requested herein and such other and further relief as the Court may deem just and appropriate.

Dated: November 18, 2022  
New York, New York

/s/ Garrett A. Fail

WEIL, GOTSHAL & MANGES LLP

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New York, New York 10153

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Facsimile: (212) 310-8007

Ray C. Schrock, P.C.

Garrett A. Fail

Sunny Singh

*Attorneys for Liquidating Trustee*

**Exhibit A**

**Proposed Final Decree**

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

-----	X	
In re	:	Chapter 11
	:	
SEARS, ROEBUCK AND CO.,	:	Case No. 18-23537 (SHL)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 36-1750680	:	
-----	X	
In re	:	Chapter 11
	:	
KMART HOLDING CORPORATION,	:	Case No. 18-23539 (SHL)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 32-0073116	:	
-----	X	
In re	:	Chapter 11
	:	
KMART OPERATIONS LLC,	:	Case No. 18-23540 (SHL)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 32-0456546	:	
-----	X	
In re	:	Chapter 11
	:	
SEARS OPERATIONS LLC,	:	Case No. 18-23541 (SHL)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 35-2524331	:	
-----	X	
In re	:	Chapter 11
	:	
SERVICELIVE, INC.,	:	Case No. 18-23542 (SHL)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 36-4616774	:	
-----	X	



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In re	:	Chapter 11
	:	
A&E FACTORY SERVICE, LLC,	:	
	:	Case No. 18-23543 (SHL)
Debtor.	:	
	:	
Fed. Tax Id. No. 36-4486695	:	
-----	X	
In re	:	Chapter 11
	:	
A&E HOME DELIVERY, LLC,	:	Case No. 18-23544 (SHL)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 37-1500205	:	
-----	X	
In re	:	Chapter 11
	:	
A&E LAWN & GARDEN, LLC,	:	
	:	Case No. 18-23545 (SHL)
Debtor.	:	
	:	
Fed. Tax Id. No. 13-4275028	:	
-----	X	
In re	:	Chapter 11
	:	
A&E SIGNATURE SERVICE, LLC,	:	Case No. 18-23546
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 37-1500204	:	
-----	X	
In re	:	Chapter 11
	:	
FBA HOLDINGS INC.,	:	
	:	Case No. 18-23547
Debtor.	:	
	:	
Fed. Tax Id. No. 36-4186537	:	
-----	X	

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In re	:	Chapter 11
	:	
INNOVEL SOLUTIONS, INC.,	:	Case No. 18-23548 (SHL)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 36-1857180	:	
-----	X	
In re	:	Chapter 11
	:	
KMART CORPORATION,	:	Case No. 18-23549 (SHL)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 38-0729500	:	
-----	X	
In re	:	Chapter 11
	:	
MAXSERV, INC.,	:	Case No. 18-23550 (SHL)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 74-2707626	:	
-----	X	
In re	:	Chapter 11
	:	
PRIVATE BRANDS, LTD.,	:	Case No. 18-23551 (SHL)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 55-0544022	:	
-----	X	
In re	:	Chapter 11
	:	
SEARS DEVELOPMENT CO.,	:	Case No. 18-23552 (SHL)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 36-2476028	:	
-----	X	

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In re	:	Chapter 11
	:	
SEARS HOLDINGS MANAGEMENT CORPORATION,	:	
	:	Case No. 18-23553 (SHL)
Debtor.	:	
	:	
Fed. Tax Id. No. 20-3592148	:	
-----	X	
In re	:	Chapter 11
	:	
SEARS HOME & BUSINESS FRANCHISES, INC.,	:	Case No. 18-23554 (SHL)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 98-0126742	:	
-----	X	
In re	:	Chapter 11
	:	
SEARS HOME IMPROVEMENT PRODUCTS, INC.,	:	
	:	Case No. 18-23555 (SHL)
Debtor.	:	
	:	
Fed. Tax Id. No. 25-1698591	:	
-----	X	
In re	:	Chapter 11
	:	
SEARS INSURANCE SERVICES, L.L.C.,	:	Case No. 18-23556 (SHL)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 36-4287182	:	
-----	X	
In re	:	Chapter 11
	:	
SEARS PROCUREMENT SERVICES, INC.,	:	Case No. 18-23557 (SHL)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 30-0092859	:	
-----	X	

-----	X	
In re	:	Chapter 11
	:	
SEARS PROTECTION COMPANY,	:	Case No. 18-23558 (SHL)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 36-4471250	:	
-----	X	
In re	:	Chapter 11
	:	
SEARS PROTECTION COMPANY (PR)	:	Case No. 18-23559 (SHL)
INC.,	:	
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 66-0704861	:	
-----	X	
In re	:	Chapter 11
	:	
SEARS ROEBUCK ACCEPTANCE CORP.,	:	Case No. 18-23560 (SHL)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 51-0080535	:	
-----	X	
In re	:	Chapter 11
	:	
SR – ROVER DE PUERTO RICO, LLC	:	Case No. 18-23561 (SHL)
(f/k/a SEARS, ROEBUCK DE PUERTO	:	
RICO, INC.),	:	
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 66-0233626	:	
-----	X	
In re	:	Chapter 11
	:	
SYW RELAY LLC,	:	Case No. 18-23562 (SHL)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 35-2561870	:	
-----	X	

-----	X	
In re	:	Chapter 11
	:	
WALLY LABS LLC,	:	
	:	Case No. 18-23563 (SHL)
Debtor.	:	
	:	
No Fed. Tax Id.	:	
-----	X	
In re	:	Chapter 11
	:	
BIG BEAVER OF FLORIDA	:	Case No. 18-23564 (SHL)
DEVELOPMENT, LLC,	:	
	:	
Debtor.	:	
	:	
No Fed. Tax Id.	:	
-----	X	
In re	:	Chapter 11
	:	
CALIFORNIA BUILDER APPLIANCES,	:	
INC.,	:	
	:	Case No. 18-23565 (SHL)
Debtor.	:	
	:	
Fed. Tax Id. No. 68-0406327	:	
-----	X	
In re	:	Chapter 11
	:	
FLORIDA BUILDER APPLIANCES, INC.,	:	Case No. 18-23566 (SHL)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 36-3619133	:	
-----	X	
In re	:	Chapter 11
	:	
KBL HOLDING INC.,	:	
	:	Case No. 18-23567 (SHL)
Debtor.	:	
	:	
Fed. Tax Id. No. 26-0031295	:	
-----	X	

-----	X	
In re	:	Chapter 11
	:	
KLC, INC.,	:	Case No. 18-23568 (SHL)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 75-2490839	:	
-----	X	
In re	:	Chapter 11
	:	
SEARS PROTECTION COMPANY	:	Case No. 18-23569 (SHL)
(FLORIDA), L.L.C.,	:	
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 20-0224239	:	
-----	X	
In re	:	Chapter 11
	:	
KMART OF WASHINGTON LLC,	:	Case No. 18-23570 (SHL)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 61-1448898	:	
-----	X	
In re	:	Chapter 11
	:	
KMART STORES OF ILLINOIS LLC,	:	Case No. 18-23571 (SHL)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 61-1448897	:	
-----	X	
In re	:	Chapter 11
	:	
KMART STORES OF TEXAS LLC,	:	Case No. 18-23572 (SHL)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 61-1448915	:	
-----	X	

-----	X	
In re	:	Chapter 11
	:	
MYGOFER LLC,	:	
	:	Case No. 18-23573 (SHL)
Debtor.	:	
	:	
Fed. Tax Id. No. 26-4005531	:	
-----	X	
In re	:	Chapter 11
	:	
ROVER BRANDS BUSINESS UNIT, LLC	:	Case No. 18-23574 (SHL)
(f/k/a SEARS BRANDS BUSINESS UNIT	:	
CORPORATION)	:	
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 42-1564658	:	
-----	X	
In re	:	Chapter 11
	:	
SEARS HOLDINGS PUBLISHING	:	
COMPANY, LLC,	:	
	:	Case No. 18-23575 (SHL)
Debtor.	:	
	:	
Fed. Tax Id. No. 26-0075554	:	
-----	X	
In re	:	Chapter 11
	:	
KMART OF MICHIGAN, INC.,	:	Case No. 18-23576 (SHL)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 38-3551696	:	
-----	X	
In re	:	Chapter 11
	:	
SHC DESERT SPRINGS, LLC,	:	
	:	Case No. 18-23577 (SHL)
Debtor.	:	
	:	
No Fed. Tax Id.	:	
-----	X	

-----	X	
In re	:	Chapter 11
	:	
SOE, INC.,	:	Case No. 18-23578 (SHL)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 83-0399616	:	
-----	X	
In re	:	Chapter 11
	:	
STARWEST, LLC,	:	Case No. 18-23579 (SHL)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 37-1495379	:	
-----	X	
In re	:	Chapter 11
	:	
STI MERCHANDISING, INC.,	:	Case No. 18-23580 (SHL)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 38-2760188	:	
-----	X	
In re	:	Chapter 11
	:	
TROY COOLIDGE NO. 13, LLC,	:	Case No. 18-23581 (SHL)
	:	
Debtor.	:	
	:	
No Fed. Tax Id.	:	
-----	X	
In re	:	Chapter 11
	:	
BLUELIGHT.COM, INC.,	:	Case No. 18-23582 (SHL)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 77-0527034	:	
-----	X	



-----	X	
In re	:	Chapter 11
	:	
SEARS BRANDS, L.L.C.,	:	Case No. 18-23583 (SHL)
Debtor.	:	
	:	
Fed. Tax Id. No. 42-1564664	:	
-----	X	
In re	:	Chapter 11
	:	
SEARS BUYING SERVICES, INC.,	:	Case No. 18-23584 (SHL)
Debtor.	:	
	:	
Fed. Tax Id. No. 36-3256533	:	
-----	X	
In re	:	Chapter 11
	:	
KMART.COM LLC,	:	Case No. 18-23585 (SHL)
Debtor.	:	
	:	
Fed. Tax Id. No. 77-0529022	:	
-----	X	
In re	:	Chapter 11
	:	
SEARS BRANDS MANAGEMENT CORPORATION,	:	Case No. 18-23586 (SHL)
Debtor.	:	
	:	
Fed. Tax Id. No. 36-2555365	:	
-----	X	
In re	:	Chapter 11
	:	
SHC LICENSED BUSINESS LLC,	:	Case No. 18-23616 (SHL)
Debtor.	:	
	:	
Fed. Tax Id. No. 37-1783718	:	
-----	X	

-----	X	
<b>In re</b>	:	<b>Chapter 11</b>
	:	
<b>SHC PROMOTIONS LLC,</b>	:	<b>Case No. 18-23630 (SHL)</b>
	:	
<b>Debtor.</b>	:	
	:	
<b>Fed. Tax Id. No. 26-4209626</b>	:	
-----	X	
<b>In re</b>	:	<b>Chapter 11</b>
	:	
<b>SRE HOLDING CORPORATION,</b>	:	<b>Case No. 19-22031 (SHL)</b>
	:	
<b>Debtor.</b>	:	
	:	
<b>Fed. Tax Id. No. 46-4344816</b>	:	
-----	X	

**ORDER (I) ENTERING FINAL DECREE CLOSING CERTAIN  
OF THE CHAPTER 11 CASES AND (II) GRANTING RELATED RELIEF**

Upon the *Liquidating Trustee’s Motion for Entry of (I) Final Decree Closing Certain of the Chapter 11 Cases and (II) Granting Related Relief*, dated November 18, 2022 (the “**Motion**”), of the Liquidating Trustee, pursuant to section 350(a) of title 11 of the United States Code (the “**Bankruptcy Code**”), Rule 3022 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), and rule 3022-1 of the Local Bankruptcy Rules for the United States Bankruptcy Court for the Southern District of New York (the “**Local Rules**”), for entry of an order (i) of a final decree (this “**Final Decree**”) closing the Subsidiary Cases,<sup>1</sup> and (ii) granting related relief, all as more fully set forth in the Motion and the Court having jurisdiction to consider the Motion and grant the requested relief in accordance with 28 U.S.C. §§ 157 and 1334 and Article XIV of the Plan; and consideration of the Motion being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and

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<sup>1</sup> Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Motion.

1409; and the Court having determined that the legal and factual bases set forth in the Motion is in the best interests of the Debtors, their estates, and their creditors; and the Court having determined that the Debtors have provided due and proper notice of the Motion and no further notice is necessary; and the Court having determined that the legal and factual bases set forth in the Motion establish just and sufficient cause to grant the requested relief herein;

**IT IS HEREBY ORDERED THAT:**

1. The Motion is **GRANTED** as set forth herein.
2. Pursuant to section 350(a) of the Bankruptcy Code and Rule 3022 of the Bankruptcy Rules, the chapter 11 cases set forth on **Appendix 1** attached hereto are hereby **CLOSED** as of the date of this order.
3. The case of Sears Holdings Corporation (the “**Remaining Wind Down Estate**”) (Case No. 18-23538 (SHL)) (the “**Remaining Case**”), shall remain open pending further order of this Court and, from and after the date of entry of this order and final decree, all motions, notices and other pleadings relating to any of the Closing Debtors shall be filed in such case.
4. The Clerk of this Court shall enter this order and final decree individually on each of the dockets of the above-captioned chapter 11 cases and each of the dockets of the Subsidiary Cases shall be marked as “Closed.”
5. All contested matters or adversary proceedings that have been filed or that may be filed in the future shall be administered in the Remaining Wind Down Estate’s chapter 11 case, notwithstanding the fact that such contested matters or adversary proceedings may be asserted on behalf of or against any Closing Debtor in the Subsidiary Cases. For the avoidance of doubt, objections to, and resolutions of, Claims shall be administered and heard in the Remaining Case, and Remaining Wind Down Estate shall be deemed to be the Debtor all Claims are filed against.

Nothing in this order and final decree shall affect the substantive rights of any party in interest.

The Court shall retain jurisdiction as is provided for in the Plan.

6. Entry of this Order is without prejudice to the Debtors' rights to seek entry of an order modifying or supplementing the relief granted herein.

7. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this order and final decree in accordance with the Motion.

8. From and after the date of entry of this order and final decree, any payments made pursuant to the Plan on account of Claims arising prior to the Effective Date shall be reflected in the Remaining Wind Down Estate's post-confirmation quarterly reports regardless of which Debtor such claims are against.

9. Following entry of this Final Decree, the caption for (Case No. 18-23538 (SHL)) shall read as follows:

<b>In re</b>	:	<b>Chapter 11</b>
	:	
<b>SEARS HOLDINGS CORPORATION</b>	:	<b>Case No. 18-23538 (SHL)</b>
	:	
<b>Liquidating Debtor.<sup>1</sup></b>	:	

<sup>1</sup> On [●], 2022, the Court entered the *Order (I) Entering Final Decree Closing Certain of the Chapter 11 Cases and (II) Granting Related Relief* (ECF No. [●]), closing the affiliated chapter 11 cases and directing that all motions, notices and other pleadings relating to any of the affiliated debtors be filed in this case. The location of the Liquidating Trust is c/o M3 Advisory Partners, LP, 1700 Broadway, 19<sup>th</sup> Floor, New York, New York 10019.

10. This Court retains jurisdiction with respect to all matters arising from or related to the implementation, enforcement, or interpretation of this order and final decree.

Dated: \_\_\_\_\_, 2022  
White Plains, New York

\_\_\_\_\_  
THE HONORABLE SEAN H. LANE  
UNITED STATES BANKRUPTCY JUDGE

**Appendix 1**

**Closing Debtors**

	<b>Case No.</b>	<b>Closing Debtor</b>
1	18-23537	Sears, Roebuck and Co.
2	18-23539	Kmart Holding Corporation
3	18-23540	Kmart Operations LLC
4	18-23541	Sears Operations LLC
5	18-23542	ServiceLive, Inc.
6	18-23543	A&E Factory Service, LLC
7	18-23544	A&E Home Delivery, LLC
8	18-23545	A&E Lawn & Garden, LLC
9	18-23546	A&E Signature Service, LLC
10	18-23547	FBA Holdings Inc.
11	18-23548	Innovel Solutions, Inc.
12	18-23549	Kmart Corporation
13	18-23550	MaxServ, Inc.
14	18-23551	Private Brands, Ltd.
15	18-23552	Sears Development Co.
16	18-23553	Sears Holdings Management Corporation
17	18-23554	Sears Home & Business Franchises, Inc.
18	18-23555	Sears Home Improvement Products, Inc.
19	18-23556	Sears Insurance Services, L.L.C.
20	18-23557	Sears Procurement Services, Inc.
21	18-23558	Sears Protection Company
22	18-23559	Sears Protection Company (PR) Inc.
23	18-23560	Sears Roebuck Acceptance Corp.
24	18-23561	SR-Rover de Puerto Rico, LLC (f/k/a Sears, Roebuck de Puerto Rico, Inc.)
25	18-23562	SYW Relay LLC
26	18-23563	Wally Labs LLC
27	18-23564	Big Beaver of Florida Development, LLC
28	18-23565	California Builder Appliances, Inc.
29	18-23566	Florida Builder Appliances, Inc.
30	18-23567	KBL Holding Inc.
31	18-23568	KLC, Inc.
32	18-23569	Sears Protection Company (Florida), L.L.C.
33	18-23570	Kmart of Washington LLC
34	18-23571	Kmart Stores of Illinois LLC

	<b>Case No.</b>	<b>Closing Debtor</b>
35	18-23572	Kmart Stores of Texas LLC
36	18-23573	MyGofer LLC
37	18-23574	Rover Brands Business Unit, LLC (f/k/a Sears Brands Business Unit Corporation)
38	18-23575	Sears Holdings Publishing Company, LLC
39	18-23576	Kmart of Michigan, Inc.
40	18-23577	SHC Desert Springs, LLC
41	18-23578	SOE, Inc.
42	18-23579	StarWest, LLC
43	18-23580	STI Merchandising, Inc.
44	18-23581	Troy Coolidge No. 13, LLC
45	18-23582	BlueLight.com, Inc.
46	18-23583	Sears Brands, L.L.C.
47	18-23584	Sears Buying Services, Inc.
48	18-23585	Kmart.com LLC
49	18-23586	Sears Brands Management Corporation
50	18-23616	SHC Licensed Business LLC
51	18-23630	SHC Promotions LLC
52	19-22031	SRe Holding Corporation